

To the general meeting of KMC Properties ASA**RECOMMENDATION FROM THE NOMINATION COMMITTEE¹**

The general meeting of KMC Properties ASA (the "**Company**") has previously resolved to establish a nomination committee for the Company. The mandate of the nomination committee is set forth in section 7 of the Company's articles of association.

The nomination committee currently consists of Finn Haugan (chair), Andreas Akselsen and Gabriel Cronstedt, all of whom are independent from the Company's board of directors and general management. The members were elected by the annual general meeting on 11 May 2023, with the exception of Gabriel Cronstedt who was elected at the extraordinary general meeting held on 1 December 2023. All members are elected for a term until the Company's annual general meeting in 2025.

1. Amendment to the board of directors

The current board of directors consists of the following shareholder-elected members:

- Bjørnar André Ulstein (chair)
- Morten Eivindsson Astrup
- Nini Eugenie Høegh Nergaard
- Marianne Bekken
- John Thoresen
- Hege Aasen Veiseth
- Haakon Morten Sæter
- Jonas Peter Grandér

All of the shareholder-elected board members are elected for a term until the annual general meeting in 2024.

In connection with M2 Asset Management AB ("**M2**") becoming the fourth largest shareholder of the Company, owning shares representing approximately 10.56% of the Company's votes and share capital, M2 has, as communicated in the notice of the extraordinary general meeting, requested to call for an extraordinary general meeting to amend the composition of the board and has recommended that Mia Arnhult is elected as a member of the Company's board of directors for a term until the annual general meeting in 2024.

The nomination committee has considered the candidate and the proposal made by M2, as well as the composition of the board of directors. The nomination committee has met with Mia Arnhult to discuss her capabilities and has studied her CV, and noted her significant experience from management of real estate with a total asset value of SEK 48 billion in both private and public markets. In its work, the nomination committee has also consulted the Company's board members, the Company's management and certain large shareholders.

On this background, the nomination committee recommends to the extraordinary general meeting of the Company that Mia Arnhult is elected as a new board member to the Company's board of directors for the period until the annual general meeting in 2024.

¹ This proposal has been prepared both in Norwegian and in English. In case of discrepancies between the two, the Norwegian version shall prevail.

As all the shareholder-elected board members are elected only for a term until the annual general meeting in 2024, the nomination committee will in the period up to the annual general meeting in 2024 discuss the composition of the board and the term for the chair and the board members. The nomination committee will also evaluate the number of board members, to ensure efficiency in the board work.

Nini Eugenie Høegh Nergaard has informed the Nomination Committee that she wishes to resign from the board of directors with effect from the extraordinary general meeting. The Nomination Committee would like to thank Nini, who has served at the board since 2010, for her work for the Company and important and valuable contributions in the board.

Information about the proposed board member and new board composition

Mia Arnhult

Mia Arnhult is a current board member and the former CEO of M2 Asset Management AB. She held both positions in the period from 2017 until 2022 when she stepped down as CEO. From 2009 to 2022 she also held the position as CEO of M2 Gruppen. Arnhult is currently the chair of Devyser and TCS Lidingöloppet (where she previously served in the management group), and a board member of M2 Gruppen AB. Previously, Arnhult has held several other long-term board positions in, among others, M2 Capital Management AB, Devyser Holding AB, Odd Molly, Bactiguard AB, Footway Group AB og Candix AB. In addition, Arnhult worked as an auditor at Grant Thornton Sweden from 1999 to 2004 and Alnebring Revision from 1995 to 1999. Arnhult studied economics at Lund University and later pursued further education at Dale Carnegie in Sweden.

If the recommendation is adopted by the extraordinary general meeting, Nini Eugenie Høegh Nergaard will step down from her position as board member, and the board of directors will consist of the following members until the annual general meeting in 2024:

- Bjørnar André Ulstein (Chair)
- Morten Eivindssøn Astrup
- Marianne Bekken
- John Thoresen
- Hege A. Veiseth
- Haakon Sæter
- Jonas Grandér
- Mia Arnhult

Information regarding the existing board members may be found at the Company's website <https://www.kmcp.no/en/>. In addition, the board members competence is described in the annual report of the Company.

2. Proposed remuneration to the board of directors

In 2023, the annual general meeting resolved remuneration in the amount of NOK 525,000 to the chair of the board of directors and NOK 315,000 to the other board members.

In accordance with the resolution made by the extraordinary general meeting held on 1 December 2023 for those board members elected in that meeting, the nomination committee proposes that the remuneration to Mia Arnhult shall be a pro-rata portion of the remuneration to the other board members determined at the annual

general meeting in 2023, calculated from the date of the election of Mia Arnhult. The remuneration for the period from the annual general meeting in 2024 will be determined by the annual general meeting in 2024.

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26 January 2024

Finn Haugan (chair)

Andreas Akselsen

Gabriel Cronstedt